

CLEAN SPECIAL FUEL TAX CERTIFICATE

AMENDMENTS

2003 GENERAL SESSION

STATE OF UTAH

This act modifies the Revenue and Taxation Code by providing for the enforcement of clean special fuel tax certificates paid in lieu of other fuel taxes for clean fuel vehicles. This act provides that the purchase of a clean special fuel tax certificate is a prerequisite to registering a vehicle powered by a clean fuel and requires the certificate to be carried in the vehicle at all times. This act requires that clean fuel delivery agents post a notice on the pump that a vehicle registered in this state that uses this fuel is required to have a valid annual clean special fuel tax certificate. The act also provides a repeal date for the notice requirement. This act makes technical changes. This act takes effect on October 1, 2003.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

41-1a-203, as last amended by Chapter 238, Laws of Utah 1998

59-13-304, as last amended by Chapter 287, Laws of Utah 2000

59-13-314, as last amended by Chapter 271, Laws of Utah 1997

63-55-259, as last amended by Chapters 13 and 24, Laws of Utah 1998

ENACTS:

59-13-304.5, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-1a-203** is amended to read:

41-1a-203. Prerequisites for registration.

(1) Except as otherwise provided, prior to registration a vehicle must have:

(a) an identification number inspection under Section 41-1a-204;

(b) passed the safety inspection, if required in the current year, as provided under Sections 41-1a-205 and 53-8-205;

(c) passed the emissions inspection, if required in the current year, as provided under Section 41-6-163.6;

(d) paid property taxes, the in lieu fee, or received a property tax clearance under Section 41-1a-206 or 41-1a-207;

- (e) paid the automobile driver education tax required by Section 41-1a-208;
- (f) paid the applicable registration fee under Part 12, Fee and Tax Requirements;
- (g) paid the uninsured motorist identification fee under Section 41-1a-1218, if applicable;
- [and]
- (h) paid the motor carrier fee under Section 41-1a-1219, if applicable~~[-];~~ and
- (i) paid for a current clean special fuel tax certificate under Section 59-13-304, if the vehicle is powered by a clean special fuel.

(2) In addition to the requirements in Subsection (1), an owner whose vehicle has not been previously registered or that is currently registered under a previous owner's name must also apply for a valid certificate of title in the owner's name prior to registration.

(3) A new registration, transfer of ownership, or registration renewal under Section 73-18-7 may not be issued for a vessel or outboard motor that is subject to the title provisions of this chapter unless a certificate of title has been or is in the process of being issued in the same owner's name.

(4) A new registration, transfer of ownership, or registration renewal under Section 41-22-3 may not be issued for an off-highway vehicle that is subject to the titling provisions of this chapter unless a certificate of title has been or is in the process of being issued in the same owner's name.

Section 2. Section **59-13-304** is amended to read:

59-13-304. Exemptions from special fuel tax -- Certificate required -- Valid certificate prerequisite to registration -- Fees for certificates -- Inspection of vehicles.

(1) (a) A user of special fuel who owns a vehicle registered in this state and powered by a clean special fuel as defined under Section 59-13-102 shall pay a clean special fuel tax as provided under this section for use of clean special fuel.

(b) A user of special fuel who qualifies for the clean special fuel tax shall annually purchase from the commission a clean special fuel tax certificate for each vehicle owned or leased that is ~~[described under Subsection (1)(a).]~~ powered by a clean special fuel.

(c) (i) A valid clean special fuel tax certificate is a prerequisite to the registration of a vehicle powered by a clean special fuel.

(ii) The registered owner or lessee of the vehicle shall purchase a clean special fuel tax certificate at the time of registration of the vehicle.

63 (iii) (A) The clean special fuel tax certificate shall be carried at all times in the vehicle to
64 which it was issued.

65 (B) The person driving or in control of a vehicle shall display the clean special fuel tax
66 certificate upon demand of a peace officer or any officer or employee of the commission.

67 ~~(c)~~ (d) Clean special fuel tax certificates are provided to encourage the use of clean fuels
68 to reduce air pollution.

69 (2) (a) The fee for a clean special fuel tax certificate is:

70 (i) 70/.19 of the tax per gallon imposed under Subsection 59-13-201(1)(a), rounded up to
71 the nearest dollar, for qualified motor vehicles as defined under Section 59-13-102; and

72 (ii) 36/.19 of the tax per gallon imposed under Subsection 59-13-201(1)(a), rounded up to
73 the nearest dollar, for other vehicles.

74 (b) The commission may require each vehicle to be inspected for safe operation before
75 issuing the certificate.

76 (c) Each vehicle shall be equipped with an approved and properly installed carburetion
77 system if it is powered by a fuel that is gaseous at standard atmospheric conditions.

78 (3) (a) Beginning January 1, 2001 through December 31, 2005, there is imposed a
79 surcharge of \$35 on each clean special fuel tax certificate issued under this section.

80 (b) Surcharges imposed under Subsection (3)(a) shall be deposited into the Centennial
81 Highway Fund created under Section 72-2-118.

82 Section 3. Section **59-13-304.5** is enacted to read:

83 **59-13-304.5. Delivery agent to post notice of annual clean special fuel tax certificate**
84 **requirement.**

85 (1) Beginning October 1, 2003, a person who delivers a clean special fuel into the fuel
86 supply tank of a motor vehicle shall post clearly and conspicuously the following notice or a notice
87 substantially similar to the following notice on each clean special fuel pump or dispensing device:

88 "NOTICE

89 It is a class B misdemeanor to use this fuel for a vehicle registered in this state without
90 having a valid annual clean special fuel tax certificate issued by the State Tax Commission as
91 required in Utah Code Section 59-13-304."

92 (2) The commission shall provide the notice at no charge to any person who delivers a
93 clean special fuel into the fuel supply tank of a motor vehicle.

(3) The notices may be in a form similar to the fuel tax rate decals required under Section 59-13-104.

(4) In accordance with Section 63-55-259, this section is repealed on July 1, 2008.

Section 4. Section **59-13-314** is amended to read:

59-13-314. Special fuel vehicle permit required before registration of vehicle.

Before registering any motor vehicle which is operated by special fuels, the registered owner or lessee of the vehicle shall obtain a valid special fuel vehicle permit for the current year ~~[or a valid clean special fuel certificate as provided by Section 59-13-304].~~

Section 5. Section **63-55-259** is amended to read:

63-55-259. Repeal dates, Title 59.

(1) Section 59-10-530.5, Homeless Trust Account, is repealed July 1, 2007.

(2) Section 59-13-304.5, notice of clean special fuel tax certificate requirement, is repealed July 1, 2008.

Section 6. **Effective date.**

This act takes effect on October 1, 2003.